CONTRACTORS ARE REQUIRED TO MEET ALL STATUTORY, REGULATORY AND POLICY REQUIREMENTS. PLEASE BE ADVISED THAT THIS REVIEW GUIDE DOES NOT SPECIFICALLY LIST EVERY REQUIREMENT.

REGULATORY CITATIONS ARE FROM THE 1997 GPO WEB SITE'S ELECTRONIC VERSION OF THE CODE OF FEDERAL REGULATIONS

NOTE: THE METHODS OF EVALUATION (MOEs) ARE NOT ALL-INCLUSIVE. THE REVIEWERS WILL LOOK AT ANY ASPECT OF OPERATION/DOCUMENTATION AND INTERVIEW ANYONE NECESSARY TO MAKE APPROPRIATE DETERMINATIONS.

CODE	Section I ADMINISTRATION AND MANAGEMENT Use Help Tool: HT-AM1	YES	NO	NOTE
AM01	**The MCO must have administrative and managerial arrangements satisfactory to HCFA, as demonstrated by at least the following: A policy making body that exercises oversight and control over the MCO's policies and personnel to ensure that management actions are in the best interest of the MCO and its enrollees.** **42 CFR 417.124(a)(1) ; 417.412(a)** **[ ] MET [ ] NOT MET**			
AM01a	The MCO's policy making body is in existence at the level of the regulated entity.			
AM01b	The MCO policy making body exercises oversight and control over policies and personnel.			
MOE	Determine whether the policy making body is exercising oversight and control over the MCO's administrative and medical activities by reviewing ❑ the entity's articles of incorporation, ❑ bylaws, ❑ board minutes and/or ❑ executive committee minutes. What is the flow of information and direction between the policy making body and management? How often and what type of information is provided to the board? [Note: Administrative functions include functional activities related to marketing, financial management, management information systems, policies and procedures, personnel, and program planning and development. Medical management includes the development and management of relationships (health service delivery, quality assurance program) to assure that the services of physicians, other health professionals, and various institutional providers are made available in type, amount, and quality necessary to meet enrollees' needs].			

MOE contd.	● **Review:** **AM01a:** ❑ MCO's corporate bylaws; ❑ board resolutions; ❑ board minutes or board's Executive Committee minutes. **AM01b:** ❑ Board documents for current and prior year. ● **Interview:** ❑ Board chairperson or other board member; ❑ CEO/General Manager.
AM02	**The MCO has personnel and systems sufficient for the MCO to organize, plan, control, and evaluate the financial, marketing, health services, quality assurance program, utilization management, administrative and management aspects of the MCO.** **42 CFR 417.124(a)(2); 42 CFR 417.412(a)** **[ ] MET [ ] NOT MET**
MOE	Is there an individual responsible for the MCO's overall management activities and performance and for making final recommendations to the board? A determination of MET/NOT MET will be made after reviewing other sections of the *Review Guide*. The determination will depend on your findings in the operational areas that you review; requirement will be "Met" if no major operational problems exist. (**Note:** If multiple deficiencies are found during the monitoring visit, and a determination of **"Not Met"** is contemplated, this should be discussed among the reviewers and the CHPP Plan Manager to develop consensus to find this requirement "Not Met." The problem may be one of sufficiency in numbers of personnel and/or systems or a lack of resources (i.e., financial, MIS, medically-trained personnel, staff, claims processing staff). ● **Review:** ❑ Organizational chart; ❑ if complex organization and/or operational problems exist, review CEO and key staff job descriptions; ❑ all sample review areas. ● **Interview:** CEO or Executive Director.
AM02a	The MCO delegates functions for which it is contractually obligated to perform under its contract with HCFA, the MCO maintains sufficient administrative capabilities to ensure that the MCO continues to fully comply with applicable regulatory requirements.
MOE	If the MCO delegates responsibility for the provision of health care such as quality assurance, utilization management and claims processing to contracted medical groups, determine whether the MCO: ❑ Performs a comprehensive assessment of the ability of contracting provider/supplier groups to effectively support the MCO policies and standards prior to entering into an agreement to delegate management responsibilities. ❑ Withdraws delegation from the entity after the entity has been provided reasonable time to correct deficiencies that an entity relating to its delegated function, and yet demonstrates that it is unable to meet appropriate performance levels.

MOE	❑ Requires a formal, written understanding or agreement between the MCO and each contracting provider/supplier group which fully describes the delegation of responsibilities to the provider/supplier group, the reporting or other requirements related to delegated responsibilities, the expected performance levels as required by the MCO, and the processes for identifying and resolving areas where actual performance levels do not meet the HMO/CMP standards. ❑ Conducts continuous, proactive strategies to ensure that all provider/supplier groups meet the contractual obligations or terms as described in written agreements with the MCO. ❑ Determines appropriate methods to identify and quickly resolve areas where actual performance does not meet the MCO standards as outlined in the written agreement or contract. Plans for resolving issues should have a definite time period by which performance levels must be improved to meet appropriate performance levels. ❑ Withdraws delegation from the entity after the entity has been provided reasonable time to correct deficiencies relating to its delegated function, and yet fails to meet appropriate performance levels.			
AM03	**The MCO's operations are managed by an executive whose appointment and removal are under the control of the MCO's policy making body.** **42 CFR 417.124(a)(3)** ; **42 CFR 417.412(a)** **[ ] MET [ ] NOT MET**			
MOE	Make sure that the board has the authority to hire and, if necessary, to fire the CEO. This can not be delegated to a management company. Ask the board chairman if the board annually evaluates the performance of the CEO or General Manager and if that board's evaluation can legally result in the removal of the CEO and recruitment and hiring of the a new CEO. If staff of the MCO is provided through a management company contract, the contract should be reviewed to determine whether the management company or the MCO's board has appointment and removal authority. ● **Review:** ❑ MCO's bylaws and/or written management contractual arrangement. ● **Interview:** ❑ CEO/Executive Director.			
AM04	**The MCO has effective procedures to develop, compile, evaluate, and report statistical and other information to the Secretary of DHHS.** **42 CFR 417.126(a) ; 42 CFR 417.412(a)** **[ ] MET [ ] NOT MET**			
MOE	Does the MCO report in a timely manner and in a understandable format? Does the MCO provide accurate information with regard to HCFA reporting requirements? Can the internal systems in place at the MCO adequately compile data in order to make such reports to HCFA? Which CHDR overturned reconsiderations have been paid as of a given date; how many Medicare/Medicaid/commercial members are there by county? Reviewers should solicit input regarding this from the CHPP plan manager and financial reviewer.			

MOE con't.	Look for evidence that specific procedures have been developed and/or the staff is fully aware of its responsibility in reporting various information to HCFA. Determine whether procedures align with HCFA reporting requirements in sections on Health Services (e.g., Availability/Accessibility), Fiscal Soundness, Marketing, Enrollment/Disenrollment, Claims Processing, Appeals, HEDIS, CAHPS and POS disclosures. If there are major problems in these areas related to timely reporting of data to HCFA, then determination for AM04 would be NOT MET. **Review**: ❑ Policy and procedure manuals. **Interview**: ❑ Any / all of the following, as determined necessary by the reviewer: MIS staff; operations staff; Medicare product director.			
AM05	**The MCO has sufficient administrative capability to carry out the requirements of its Medicare contract.** **42 CFR 417.412(a)** **[ ] MET [ ] NOT MET**			
	In order to meet this requirement, the MCO's management must identify and track Medicare performance requirements in the areas of ❑ enrollment, ❑ disenrollment; ❑ claims processing; ❑ appeals; ❑ grievances; ❑ access; ❑ continued quality improvement. ❑ Determine if the MCO's staff and management are adequately informed and following the requirements of the Medicare contract. ❑ Determine if MCO has informed its staff and contracting providers/suppliers about Medicare requirements through HCFA reports, manuals and issuances. Are staff and providers/suppliers knowledgeable about the requirements? ❑ Determine what information is provided to existing and new staff and contracted providers/suppliers regarding the requirements of the Medicare contract. What mechanisms does the MCO use to inform staff and providers/suppliers in this regard? Does the MCO have a mechanism(s) for informing staff and contracting providers of any new or revised Medicare requirements? ❑ Determine if the MCO complies with HCFA disclosure requirements (e.g., PIP disclosures, HEDIS data.) **NOTE:** Refer to other sections of the *Review Guide* in making a final determination for this element, if necessary. The number, severity, and extent of other findings and their relationship to the administrative capabilities of the MCO should be weighed in making the Met/Not Met determination. MCOs that continue to have repeated administrative problems with contract requirements after initial monitoring visit would perhaps require a "Not Met" for this element (e.g., an MCO that over successive review periods cannot meet the time requirement for paying clean claims). **Review:** ❑Internal policy and procedures manuals relative to the Medicare product; ❑ any training or information materials distributed to the providers/suppliers which address Medicare requirements such as covered/non-covered services denials and appeals, etc.; ❑quality work plan; ❑board and QA/QI committee minutes.			

MOE	**<u>Interview</u>:** ❑ Physicians and medical office staff (Note: During the health services reviewer's interviews with providers/suppliers, determine what training and information they have received regarding the Medicare product and HCFA requirements). Refer to the Marketing, Enrollment/Disenrollment, Claims Processing, QA/QI and Grievances and Appeals sections in making determination. For example: if the MCO does not pay in a timely manner those claims which HCFA's contractor has overturned during the reconsideration review, then there could be problems in the claims processing system or with fiscal soundness. The number and severity of operational problems are the basis for the determination of MET/NOT MET for this element.			
AM06	**The MCO does not have any agents, management staff, or persons with ownership or control interests who have been convicted of criminal offenses related to their involvement in Medicaid, Medicare, or social service programs under Title XX of the Act.** **42 CFR 417.412(b)** **[ ] MET [ ] NOT MET**			
MOE	Determine if the MCO has a specific staff person and/or documented procedures for periodic and complete review of its agents or management. Does the MCO check to see if staff or persons with ownership / control interest have ever been sanctioned by Medicare? **<u>Review</u>:** ❑ The most recent HCFA 1513 (Ownership and Disclosure Statement) submitted with annual NDRR. Check the names and/or organizations listed against the *Medicare and Medicaid Sanction - Reinstatement Report* published monthly by the Office of Inspector General (OIG). ❑ MCO procedures to determine who receives and checks against the *Medicare and Medicaid Sanction-Reinstatement Report* as part of the MCO's certification and recertification process for its providers/suppliers, as well as those listed in the HCFA 1513, staff, agents, and managers. **<u>Interview</u>:** Staff person responsible for this process and who does the <u>actual</u> checks; CEO/Executive Director, if necessary.			
AM07	**Medicare/Medicaid enrollees do not exceed 50 percent of the MCO enrollment in the geographic area of the contract. 42 CFR 417.413(d)(1); OPL 97.061** **[ ] MET [ ] NOT MET [ ] N/A** **[ ] REQUIREMENT HAS BEEN WAIVED:** Effective immediately, all 1876 cost and risk plans may submit a request for waiver of the 50/50 composition requirement because it is in the public interest to waive the requirements. Plans also continue to be eligible for waivers on the grounds that more than 50% of the population served in the area by the organization is entitled to Medicare or Medicaid, or the organization is owned or operated by a government entity.			

MOE	**<u>This element will be enforced through 12/31/98</u>** <u>To determine percentage of Medicare:</u> _____Mcr + (_____Mcd + _____Comm) = _____TOTAL; Mcd-[Mcr/(Mcd +Comm)] = ____Percent of Total <u>Medicare enrollment exceeds 50 percent, and the MCO is under a CAP:</u> Is the MCO meeting the time frames/membership composition set forth in its CAP? Does the CAP allow for "age-ins," since they are already MCO enrollees? If so, check with Data Development and Support Team (DDS) to assure these are the <u>only</u> accretions. The Plan Manager should check periodically with Data Development and Support Team (DDS) about accretions. **<u>Review</u>:** ❑Internal membership information; ❑promotional forms; ❑marketing strategy and plans; and ❑management reports. **<u>Interview</u>:** ❑ CEO, ❑marketing director and sales representatives, ❑ board of directors' marketing oversight committee, ❑ any other appropriate staff that the reviewer may determine to be necessary. NOTE: Reviewer should attempt to coordinate interviews to cover a variety of topics within the context of one interview; i.e., administration & management, HSD, marketing, etc. . .			
AM08	**The FQ-HMO's Medicare contract geographic area is the same or smaller than the federally qualified service area. For CMPs, the Medicare contract geographic area is the same as designated CMP area.** **42 CFR 417.416(e)** **[ ] MET [ ] NOT MET**			
AM09	**Regarding the Patient Self Determination Act, the MCO has written policies and procedures which:** **1) inform enrollees of their rights under State law with respect to advance directives (living wills/durable power of attorney), and how those rights are implemented; 2) document in the medical record whether or not the enrollee has executed an advance directive; 3) ensure compliance with State law; 4) do not condition provision of care/or discriminate on whether enrollee has executed advance directive; and 5) provide for education of staff/community regarding advance directives.** **OBRA 1990 (Public Law 101-508); Article IV.U, Medicare Contract** **[ ] MET [ ] NOT MET**			
MOE	Regarding AM08, determine if the MCO service is larger than that which is defined in the contract. There may be some members whose zip codes are outside the contract area. This could be due to people moving, zip code expansion, improper enrollment, etc. Description of contract area in HCFA documentation should be consistent with that specified in the MCO's contract. **<u>Review</u>:** ❑ Marketing materials; ❑ national marketing guidelines **<u>Interview</u>:** Any or all of the following, as determined to be necessary by the reviewer: Provider Services Director or Medicare Product Director; Medicare marketing director. For AM09, determine if the MCO has processes and materials (evidence of coverage/brochures) for informing, and procedures and documentation for implementing this requirement. The MCO must meet <u>ALL</u> factors enumerated to have a determination of MET.			